

dollar is valued at 2s.; in Peru the sol is of the same value; in Costa Rica, the colon is only worth 1s. 10d.; in Bolivia, the boliviano is worth but 1s. 8d.; and in Chili, the peso has a buying value of no more than 1s. 6d. There are, therefore, no fewer than nine different values under the \$ sign in the Spanish-speaking countries, and not one of them identical with the dominating coin of the American continent, the dollar of the United States, valued at 4s. 1½d.

The British navy will test the worth of the made-in-Germany ships while we at home can prove the value of made-in-Canada goods.

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A campaign to sell more Canadian apples in Canada is good, but we fail to understand yet why Canadian apples cannot be sold in Great Britain almost as usual. Wheat is being shipped; why not apples?

### CREDIT AND CASH

Those who complain of lack of banking facilities should examine their own position critically. Money can be borrowed only if the prospective borrower has a proper basis of credit. On credit is built business, but credit itself has to have a substantial foundation, otherwise business collapses. In a borrowing country, such as Canada, there must be extensive credit. At the same time, it is just a question as to whether the system has not been carried too far in various quarters. Whenever the subject is tackled, there are always those who are peeved, but self-examination reveals the fact that there is too much love of credit promises and too little of cash settlement. During the present period of readjustment throughout the Dominion, the condition is being emphasized.

The disposition of many merchants to be too lenient in regard to credit was discussed by Mr. H. Adams at a meeting of the Winnipeg Credit Men's Association last week. "There is no doubt in the minds of any of us," he said, "but that we have been too lenient with creditors in the past. We have all known it to be so. We have talked to each other freely about it, and we have all kept on playing the game the same old way. I do not care how good the conditions have been, or will be, extensions of credit to the same extent as we have been accustomed to is not consistent with good business. More care and good judgment should be exercised. But to me the extension of credit to worthy people is as much a vital part of our business as buying our stocks of goods, and will continue to be so."

The war should help the people of Canada to regard cash transactions more favorably.

The placing of an Australian order for rails in the United States while Canadian rail mills are slack, indicates that the "trade-within-the-Empire" scheme is not working quite smoothly yet.

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Monday, October 12th, Canada's Thanksgiving Day. The Larder of the Empire, doing business as usual, heart and soul with the cause, with fields untrampled by army horses—just one of many reasons for gratitude.

### GOVERNMENT FINANCING IN WAR TIME

The first Canadian provincial government to take practical steps to float a loan during war time is Ontario. That province is selling \$1,000,000 five-year 5 per cent. bonds in Canada and the loan is expected to have a good reception. Ontario made inquiries with a view to marketing this loan in the United States, but were informed by bankers there that President Wilson's ban on loans being raised in the United States for governments at war would seem to include Canadian provincial governments. The London market also being closed, Ontario will sell its bonds here.

In Saskatchewan, for public works capital account \$1,799,950, part of the proceeds of an issue of treasury bills sold in April, was at the disposal of the government. Money to be paid on vouchers which had been sent in for work done before the outbreak of war and the sums required for advancing certain public works in order that the money already spent might not be wasted, would make a total of \$1,822,000. An additional sum was therefore needed. For relief work and for patriotic purposes it is necessary to raise a further sum of about \$1,500,000 by way of a temporary loan, the sum required for patriotic purposes alone being \$750,000. Arrangements for a temporary loan have been made by the provincial government and it is not anticipated that the rate of interest will be in excess of 5½ per cent. The government expect to make the loan a permanent one in the near future.

A bill to provide for the hypothecation of the securities of the province of Saskatchewan, passed at the recent session, gives the government powers which will enable it to raise loans in this manner during the continuance of the war.

Manitoba also has a \$2,000,000 loan to market.

Several applications have probably been made for advances from the Dominion Government by the provinces, under the provisions of the emergency measures announced at Ottawa in August. The August return of the banks to the government shows that \$750,000 in Dominion notes had been issued on approved securities. It will likely be found that a much larger amount has been issued during September.

As to the Dominion government's next loan, the flotation of which is probably not far distant, there is, as previously forecasted by *The Monetary Times*, the possibility of Canada arranging a loan from the Imperial government, and in view of all that Canada has done since the commencement of the war, we anticipate there will be little difficulty. For such purposes as fresh loans, there is practically only one source from which money would be forthcoming in Great Britain at present, and practically any country, and that is the Imperial government through the medium of the Bank of England.

The Toronto alderman who boasted last week of throwing into the wastepaper basket, unread, the excellent pamphlets of the local bureau of municipal research, gave a good demonstration of aldermanic incapacity.

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While President Wilson has issued a ban against United States bankers making loans to governments at war, including Canada, United States ships are carrying copper for the Krupp gun works in Germany to be used for the construction of torpedoes. Neutrality has an ever changing complexion.